

CENTRAL INTELLIGENCE AGENCY
Washington, D. C.

NOTICE

19 April 1948

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SUBJECT: Fiscal Year 1950 Budget Estimates

1. Each Assistant Director and Staff Chief will initiate immediate planning for budget estimates for the fiscal year 1950 (1 July 1949-30 June 1950).
2. It is anticipated that initial estimates will be called for about 15 June 1948. Detailed budget hearings will be conducted for each CIA activity prior to preparation of the final CIA budget for presentation to the Bureau of the Budget.
3. Previous budgets have been prepared and presented with little or no experience data, and have been accepted on such basis due to the newness of the Agency. The fiscal year 1950 budget must be supported with more specific justifications based on actual operating experience. Factual work load data, operational graphs, statements of actual accomplishments, and specific program goals will be required in reasonable detail for each office and staff section.
4. Forms for submission of budget estimates will be distributed by 1 May 1948. - 32-10 Supply
5. The Chief, Budget and Finance Branch, A&M, should be contacted for any advice and guidance desired on this subject.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

Executive for
Administration and Management

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Chief, Budget and Finance Branch

Call for Budget Estimates -- Fiscal Year 1950

1. In the very near future the Budget Division will issue the "Call for Budget Estimates" for fiscal year 1950--the official request for estimates of funds necessary for the period 1 July 1949 through 30 June 1950. It is recognized that in the past the time between receipt of the Call and the deadline for submission of estimates to the Budget office has not permitted adequate attention to all the details and issues involved. The merely mechanical tasks of assembling data, computing statistics, and typing and retyping usually consume most of the available time.
2. This memorandum is primarily for the purpose of alerting all concerned. It is suggested that consideration be given now to the formulation of specific policies and plans governing practical as opposed to idealistic program requirements for fiscal year 1950 so that much of the rush and confusion attending the usual budget period may be avoided and the task of developing the justifications be considerably simplified.
3. Estimates submitted by operating offices for fiscal year 1949 generally gave evidence of consideration to major program activities. With a few notable exceptions, however, the estimates were uniformly lacking in satisfactory justifications, particularly of requested personnel increases. A statement that five additional clerks are required because of "increasing work load" without reference to facts or figures substantiating such work load obviously is inadequate. Where possible, all justifications should be based on and contain specific and reliable work load statistics. Periodic work reports provide a good source for such supporting data. It is suggested that if no such statistics are being maintained, or if the matter is being postponed because of pressure of priority work, current consideration be given to program analysis in order to develop such information.
4. It is acknowledged that the most carefully planned programs may require future adjustments. However, it is hoped that early attention to goals for fiscal year 1950 will result in improved budget estimates substantiated when possible by graphic presentation of facts and figures.

E. R. SAUNDERS